SENATE BILL No. 444

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DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-8-10-2.2; IC 27-8-10-2.3.

Synopsis: ICHIA tax credits. Provides for the assignment of unused tax credits by a member of the comprehensive health insurance association (ICHIA) for use by a business entity during the same taxable year.

Effective: July 1, 2003.

Meeks R

January 21, 2003, read first time and referred to Committee on Finance.

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~
  Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.
  Conflict reconciliation: Text in a statute in *this style type* or *~~this style type~~* reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

SENATE BILL No. 444

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1   SECTION 1. IC 27-8-10-2.2 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]: **Sec. 2.2. (a) This section applies to:**
4   **(1) taxable years beginning after December 31, 2003; and**
5   **(2) a tax credit that accrues after December 31, 2003.**
6   **(b) A member that:**
7   **(1) has paid an assessment levied under this chapter during a**
8   **calendar year; and**
9   **(2) does not, in the member's taxable year during which the**
10   **assessment was paid, have tax liability against which a credit**
11   **may be applied under section 2.1(n) of this chapter;**
12 **may assign the member's unused tax credit to a business entity that**
13 **pays premium taxes, adjusted gross income taxes, or similar taxes**
14 **upon revenues or income of the business entity that may be**
15 **imposed by the state.**
16   **(c) The amount of the credit that may be assigned by a member**
17 **under subsection (b) is equal to:**

1   **(1) the tax credit available to the member; minus**
2   **(2) the amount of credit taken against taxes by the member;**
3   **for the calendar year under section 2.1(n) of this chapter.**
4   **(d) Subject to subsection (c), a business entity that receives a tax**
5   **credit under this section is entitled to a tax credit against the**
6   **business entity's tax liability for the taxable year during which the**
7   **assigning member would have taken the tax credit.**
8   SECTION 2. IC 27-8-10-2.3, AS ADDED BY P.L.167-2002,
9   SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10   JULY 1, 2003]: Sec. 2.3. A member shall, not later than October 31 of
11   each year, certify an independently audited report to the:
12   (1) association;
13   (2) legislative council; and
14   (3) department of insurance;
15   of the amount of tax credits taken against assessments by the member
16   under ~~section~~ **sections** 2.1(n)(1) **and 2.2** of this chapter during the
17   previous calendar year.
18   SECTION 3. [EFFECTIVE JULY 1, 2003] **(a) This SECTION**
19   **applies to taxable years beginning after December 31, 2003.**
20   **(b) Notwithstanding IC 27-8-10-2.2(a), as added by this act:**
21   **(1) a member may assign; and**
22   **(2) a business entity may receive and take;**
23   **not more than twenty percent (20%) of the assigning member's**
24   **unused tax credits that accrued before January 1, 2004, per**
25   **calendar year as provided in IC 27-8-10-2.2, as added by this act.**
26   **(c) A tax credit that accrued under IC 27-8-10-2.1(n) before**
27   **January 1, 2004, may not be carried back to any taxable year**
28   **ending before January 1, 2004.**
29   **(d) This SECTION expires December 31, 2008.**